



DEPARTMENT SUMMARY

Finance

Provide financial guidance to City Council and departments and manage the City's financial operations.

About Finance

The Finance Department is responsible for providing financial expertise and guidance to the City Council and departments, managing the City's daily financial operations, and maintaining the financial integrity of the City. The department's major functional areas include accounting, revenue management, budget, payroll, purchasing, and investment management. The department also administers one internal service fund: the Self-Insurance Trust Fund manages the City's insurance portfolio and self-insured workers' compensation program.



Fiscal Year 2010 Budget Highlights

The Finance Department, in conjunction with Information Systems staff, will initiate the replacement of the entire FMS (Financial Management System). The last time the City's FMS was replaced was in Fiscal Year 1991.

This is a monumental task that will involve a significant amount of effort and time from staff across all departments over a four-year period. In Fiscal Year 2008, a comprehensive needs analysis will be completed that will form the basis for a request for proposal, and we anticipate selection of a vendor by the end of the fiscal year. Implementation of a new system will take place between Fiscal Years 2009 and 2011.



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Department Financial and Staffing Summary

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	41.35	41.30	41.30	40.30
Hourly Employee Hours	1,214	428	428	1,123
Revenues				
Franchise Fees - Cable	\$ -	\$ -	\$ -	\$ 346,942
Licenses	9,289	7,000	9,050	9,000
Workers Comp. Premiums	2,241,057	2,107,502	2,107,502	2,482,928
Insurance Premiums	3,140,159	3,197,440	3,197,440	2,950,613
OSH Premiums	253,849	291,620	291,620	302,518
Interest Income	707,603	361,434	400,000	337,615
Other Revenue	108,846	773	7,116	107,000
Overhead Allocation Recovery	2,938,405	3,070,635	3,070,635	3,182,845
General Fund Subsidy	1,702,734	2,161,456	1,777,264	1,079,898
Total Department Revenue	\$ 11,101,942	\$ 11,197,860	\$ 10,860,627	\$ 10,799,359
Expenditures				
Salaries and Benefits	\$ 3,575,575	\$ 4,147,624	\$ 3,960,506	\$ 3,949,662
Supplies and Services	3,043,186	9,647,248	8,396,921	6,486,255
Special Projects	399,218	475,402	396,691	347,442
Non-Capital Equipment	6,257	5,060	3,768	4,000
Capital Equipment	3,938	4,586	-	-
Tax Expense	20,255	22,000	13,700	12,000
Total Department Expenditures	\$ 7,048,429	\$ 14,301,920	\$ 12,771,586	\$ 10,799,359
Addition to (Use of) Reserves	\$ 4,053,513	\$ (3,104,060)	\$ (1,910,959)	\$ -

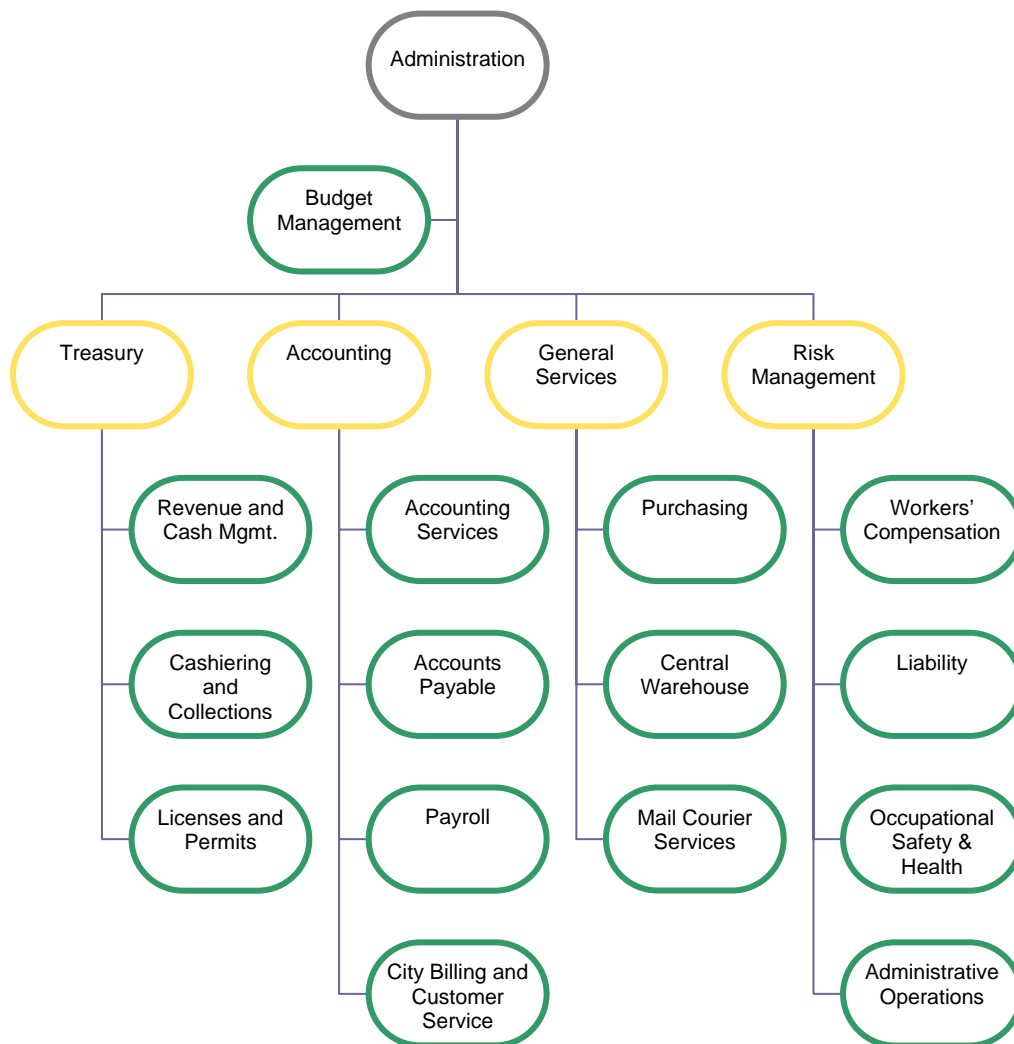
The Finance Department is budgeted in the General Fund and the Self-Insurance Trust Fund.



DEPARTMENT SUMMARY

Finance

Program Organizational Chart





DEPARTMENT SUMMARY

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Response to Economic Crisis

Amount Needed to Balance

All General Fund departments have been directed to cut their budgets and/or identify additional revenues for a combined total of \$7.4 million. The Finance Department's share of the \$7.4 million is approximately \$470,000. Note that, although the Finance Department also includes the Self-Insurance Trust Fund. Since they are not part of the General Fund and therefore are not affected by the current economic downturn, the Self-Insurance Fund is not included in the discussion below.

Balancing Strategy

The Finance Department's strategy to close its \$470,000 budget gap includes both cuts in expenditures, including elimination of staff, as well as additional revenue from a newly proposed fee. Key elements of the proposed strategy are discussed below.

New/Enhanced Revenues (\$100,000)

Effective July 1, a new fee of \$5 will be assessed on delinquent utility accounts. The City processes thousands of delinquency notices per year, and currently no penalties are assessed to deter delinquencies or to recover the costs associated with processing the delinquencies.

Reduction in Non-Personnel Costs (\$148,485)

- The ongoing revenue audit program performed by contract will be eliminated. These contracts cover the audit of payments of transient occupancy taxes from hotels, utility users' taxes from utility companies, and payment of sales taxes from the State Board of Equalization. This will generate \$78,900 in savings.
- Additionally, the bi-annual update to the City's cost allocation plan, used to calculate the recovery of costs by the General Fund for general administration (payroll, human resources, budgeting, etc.) by other City funds, will be eliminated. This will save \$40,000.
- Other reductions totaling \$17,085 are proposed to various expenditure line-item accounts, including travel, supplies, and training.



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Workforce Reductions and Re-Allocations (\$210,353)

- Two Vacant Full-Time Positions will be eliminated, saving \$156,885. One of the positions to be eliminated is a Senior Accountant position that provides general accounting and financial reporting support in the Accounting Division. The second position to be eliminated is an Administrative Specialist position, which is one of several in the Treasury Division that performs a variety of cashiering and revenue collection duties.
- In addition to the elimination of two positions, two employees have voluntarily agreed to a reduced work schedule that will generate savings of \$28,162 to the Department. One of the positions is in the Payroll Program, and the second is in the Revenue & Cash Management Program.
- We have also allocated an additional 12.5% of the Assistant Finance Director's salary and benefit costs (\$25,306) to the Solid Waste Fund, bringing the total allocated to 50%. This will align the allocation of costs with the amount of time spent managing that operation.

Service Level Impacts

The reduction in contracted services for revenue audits, while considered a temporary measure, may result in an unquantifiable loss of revenue that may otherwise have been detected through these audit efforts. However, revenues will continue to be monitored by City staff for unusual payments or trends, and specific action will be taken as appropriate. These measures will not have any impacts to services.

The elimination of the contract for updating the cost allocation plan is also a temporary measure. Staff will update the plan at a "macro" level, which will establish an across-the-board adjustment to overhead charges.

As one of several administrative departments, the Finance Department's primary purpose is to provide finance-related services to other City operations. As such, the cuts in staffing will have a measurable impact on the Finance Department's level of services provided to other departments and, to a lesser extent, to external customers. Work assignments will have to be re-prioritized and some non-critical duties will receive less attention, while others may be discontinued indefinitely.

PROGRAMS & SERVICES

FINANCE PROGRAMS

➤ Administration

Revenue & Cash Management
Cashiering & Collections
Licenses & Permits
Budget Management
Accounting Services
Payroll
Accounts Payable
City Billing & Customer Service
Purchasing
Central Warehouse
Mail Courier Services
Risk Management – Workers' Compensation
Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations



RECENT PROGRAM ACHIEVEMENTS

Maintained the City's A3 rating from Moody's Investor Services.
Managed the implementation of the utility tax changes approved by the voters in November, 2008 as Measure G.

Administration

(Program No. 1411)

Mission Statement

Provide management and administrative support to Finance programs and provide the City Council and departments with responsive financial expertise and analysis to ensure that the City's financial interests are protected and enhanced.

Program Activities

- Manage the operations of the department.
- Ensure management and the City Council are informed of all matters materially affecting the financial health of the City.
- Assist with policy formulation and implementation of Council direction.
- Provide staff support to the City Council Finance Committee.
- Provide financial and budgetary support and guidance to all City departments.
- Provide oversight of the City's investment portfolio.
- Manage the City's long-term debt, including new-money and refunding debt.
- Manage the City's Employee Mortgage Loan Assistance Program (EMLAP).
- Administer the City's cable television franchise.

Key Objectives for Fiscal Year 2010

- Ensure that Finance programs meet 75% of program objectives.
- Ensure that Environmental Services division meets 80% of division objectives.
- Administer the City's non-exclusive cable television franchise agreement with Cox Communications and ensure that franchisee is in compliance with franchise requirements.
- Administer the City's grant agreement with the South Coast Channels for the management programming of the city's public and educational access channels and ensure that grantee is in compliance with contract requirements.
- In partnership with the County, select a vendor by September 2009 to begin the design, permitting, and eventual construction and operation, of a conversion technology facility at the Tajiguas Landfill.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	2.05	2.00	2.00	2.00
Hourly Employee Hours	0	0	0	0
Revenues				
Franchise Fees - Cable	\$ -	\$ -	\$ -	\$ 346,942
Overhead Allocation Recovery	150,859	157,648	157,648	157,945
Other Revenue	168	-	-	-
General Fund Subsidy	626,775	662,405	555,167	186,860
Total Revenue	\$ 777,802	\$ 820,053	\$ 712,815	\$ 691,747
Expenditures				
Salaries and Benefits	\$ 294,342	\$ 285,673	\$ 254,545	\$ 266,209
Supplies and Services	66,789	76,978	63,879	66,596
Special Projects	396,176	435,402	380,691	346,942
Non-Capital Equipment	240	-	-	-
Tax Expense	20,255	22,000	13,700	12,000
Total Expenditures	\$ 777,802	\$ 820,053	\$ 712,815	\$ 691,747

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
% Finance program objectives met	81%	75%	75%
% Environmental Services division objectives met	N/A	60%	80%
EMLAP loans administered	32	34	28

PROGRAMS & SERVICES

FINANCE PROGRAMS

Administration

➤ **Revenue & Cash Management**

Cashiering & Collections

Licenses & Permits

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Accounting Services

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Accounts Payable

City Billing & Customer Service

Purchasing

Central Warehouse

Mail Courier Services

Risk Management – Workers'
Compensation

Risk Management – Liability

Risk Management –
Occupational Safety & Health

Risk Management –
Administrative Operations



RECENT PROGRAM ACHIEVEMENTS

Assisted with implementation of the new Utility Billing system to ensure that bill codes were set up correctly for each fund, and that revenues and accounts receivable balances were recorded correctly in the general ledger.

Revenue & Cash Management

(Program No. 1412)

Mission Statement

Invest public funds in a manner that will provide maximum security, adequate liquidity and sufficient yield, while conforming to relevant statutes and regulations, and ensure all revenues are received timely and recorded properly.

Program Activities

- Manage investment portfolio of approximately \$150 million.
- Submit monthly investment reports to Finance Committee and City Council.
- Manage the City's banking relationships.
- Ensure timely reconciliation of all cash transactions.
- Assist departments in establishing appropriate controls and procedures for the receipt of cash and for petty cash disbursements.
- Provide ongoing analysis of City revenues.
- Forecast and manage cash to ensure adequate liquidity for expenditure requirements.

Key Objectives for Fiscal Year 2010

- Maintain an average "AAA" credit quality for securities in the portfolio.
- Submit 100% of monthly investment reports to City Council within 30 days of month-end.
- On a quarterly basis, review newly-issued business licenses for resale permit status and submit findings to the State Board of Equalization.
- Conduct a monthly analysis of all City revenues.
- Provide a comprehensive analysis of General Fund revenues to the Finance Committee on a quarterly basis.
- Purchase investments for the City and Redevelopment Agency that are consistent with investment objectives.
- Submit annual Statement of Investment Policy by the end of the fiscal year.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	2.10	2.60	2.60	2.60
Hourly Employee Hours	0	0	0	695
Revenues				
Overhead Allocation Recovery	\$ 282,414	\$ 295,123	\$ 295,123	\$ 298,979
Other Revenue	595	-	-	-
General Fund Subsidy	28,370	148,031	154,500	95,971
Total Revenue	\$ 311,379	\$ 443,154	\$ 449,623	\$ 394,950
Expenditures				
Salaries and Benefits	\$ 141,702	\$ 301,651	\$ 298,198	\$ 318,013
Supplies and Services	169,557	141,503	151,425	76,937
Special Projects	-	-	-	-
Non-Capital Equipment	120	-	-	-
Total Expenditures	\$ 311,379	\$ 443,154	\$ 449,623	\$ 394,950

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Credit rating of portfolio holdings	AAA	AAA	AAA
Variance between the City portfolio and LAIF book rates of return	+0.36%	+1.71%	<1%
Months in which investment report is submitted within 30 days	9	12	12
Submittals to State Board of Equalization	4	4	4
Average portfolio balance	\$158.9M	\$162M	\$160M
Average days to maturity of portfolio	558 days	550 days	550 days

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➤ **Cashiering & Collections**

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RECENT PROGRAM ACHIEVEMENTS

Successfully implemented new cashiering processes as part of the launch and implementation of the new utility billing system.

Cashiering & Collections

(Program No. 1413)

Mission Statement

Centrally process monies, ensuring funds are received when due, properly accounted for and safeguarded, and provide prompt, courteous customer service.

Program Activities

- Operate a City Hall cashiering function.
- Process payments received from the public and City departments and process bank wires and transfers.
- Prepare daily deposits and related accounting documents.
- Verify payment data from the utility billing lock-box operation.
- Record and reconcile major sources of revenue.
- Audit petty cash claims and assist departments in petty cash procedures.

Key Objectives for Fiscal Year 2010

- Accurately process 99% of treasury receipts on the day received.
- Accurately prepare deposit summary and daily bank deposits with less than 10 correcting entries needed.
- Assist in the implementation of the new Utility Billing E-Care system which will provide city on-line payment option to utility customers.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	4.35	3.60	3.60	4.20
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 342,856	\$ 358,285	\$ 310,672	\$ 439,319
General Fund Subsidy	57,611	1,264	-	-
Total Revenue	\$ 400,467	\$ 359,549	\$ 310,672	\$ 439,319
Expenditures				
Salaries and Benefits	\$ 306,653	\$ 282,206	\$ 232,641	\$ 360,548
Supplies and Services	91,737	77,343	78,031	78,771
Non-Capital Equipment	2,077	-	-	-
Total Expenditures	\$ 400,467	\$ 359,549	\$ 310,672	\$ 439,319

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of treasury receipts processed on day received	99.8%	99%	99%
Correcting entries needed for daily deposit summary and bank deposit	6	10	<10
Payments processed at public counter	51,274	50,000	50,000
Utility billing lockbox payments processed	189,808	180,000	171,000
Transient Occupancy Tax (TOT) payments recorded and reconciled monthly	69	77	77
Utility Users Tax (UUT) payments recorded and reconciled monthly	150	150	150

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RECENT PROGRAM ACHIEVEMENTS

Staff recently completed an update of the business license website to include the ability to look-up businesses within the city limits that have been issued a business license.

Licenses & Permits

(Program No. 1414)

Mission Statement

Administer the collection and audit of business taxes, permits, and assessments to ensure compliance with the Santa Barbara Municipal Code (SBMC).

Program Activities

- Manage the Business Tax and Permit Program.
- Administer the billing and collection of Transient Occupancy Tax, Parking and Business Improvement Area (PBIA) assessments, and Old Town and Downtown Business Improvement District assessments.
- Process delinquency notices and initiate collection efforts for past due accounts.
- Process and issue over 13,000 City licenses and permits.
- Review outside sources and publications to identify unlicensed businesses.

Key Objectives for Fiscal Year 2010

- Locate 200 unlicensed businesses using periodicals, Franchise Tax Board and State Board of Equalization sources.
- Send quarterly Parking Business Improvement Area (PBIA) billings to downtown businesses with the 75-minute free parking district.
- Send annual Downtown and Old Town Business Improvement District billings by February 26, 2010.
- Perform an annual audit of all businesses within the three assessment districts by street address to ensure that all current businesses are billed as required.
- Ensure that newly-licensed businesses are billed appropriately for the district assessments.
- Send annual business license renewal notices no later than 30 days before current license expiration.
- On a quarterly basis, send delinquency letters for unpaid PBIA assessments.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	5.30	5.55	5.55	3.95
Hourly Employee Hours	0	0	0	0
Revenues				
Licenses	\$ 9,289	\$ 7,000	\$ 9,050	\$ 9,000
Overhead Allocation Recovery	119,424	124,798	172,411	95,444
Other Revenue	7,416	-	7,116	7,000
General Fund Subsidy	303,782	413,624	356,876	287,329
Total Revenue	\$ 439,911	\$ 545,422	\$ 545,453	\$ 398,773
Expenditures				
Salaries and Benefits	\$ 381,022	\$ 483,257	\$ 482,635	\$ 335,862
Supplies and Services	54,492	62,165	62,818	62,911
Special Projects	2,200	-	-	-
Non-Capital Equipment	2,197	-	-	-
Total Expenditures	\$ 439,911	\$ 545,422	\$ 545,453	\$ 398,773

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
New businesses located from reference sources	318	250	200
New business licenses issued	1,793	1,800	1,600
Business license renewals	13,617	12,400	13,000
Business license delinquency notices	2,984	3,200	3,250
Percent of business licenses paid by due date	76.9%	75%	75%
Assessment district billings	4,415	4,600	4,500
Assessment district delinquency notices	810	1,000	1,125
Percent of PBIA assessments paid by due date	73.7%	75%	75%
Percent of accounts sent to collections	0.9%	1.5%	3%
Website hits for look-up of licensed businesses	N/A	15,000	15,000

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RECENT PROGRAM ACHIEVEMENTS

Budget staff continue to save about 21,000 sheets of paper annually by minimizing the distribution of printed budget documents

Budget Management

(Program No. 1415)

Mission Statement

Manage the development and implementation of the City's two year financial plan and annual budget to support effective decision-making and public communication.

Program Activities

- Manage the City's annual budget process, including training and support to departments, analysis of department budget requests, and public presentation of the recommended budget.
- Provide guidance to departments on departmental revenue estimates.
- Provide expertise to City Council and departments on economic and financial conditions and policy issues affecting the budget.
- Provide ongoing budgetary guidance and support to all City departments in administering the annual budget.
- Prepare and publish the City's Annual Budget.

Key Objectives for Fiscal Year 2010

- Complete 85% of all budget journal entries to record budget amendments within four working days of approval.
- Produce and distribute the Adopted Budget for Fiscal Year 2010 by July 31, 2009.
- Receive the Government Finance Officers Association (GFOA) Distinguished Budget Award for the Adopted Budget for Fiscal Year 2010.
- Submit the Fiscal Year 2011 Recommended Budget to Council and City Clerk before May 1, 2010 in accordance with the Council-established budget filing deadline.
- Provide accurate costing and assist with table negotiations for 2 new labor agreements with the Police and Police Managers' Bargaining Units
- Project General Fund non-departmental revenues within a 2% margin in relation to mid-year projections.
- 🌿 Maintain minimum distribution of printed budget documents only to City Council and Executive Management to reduce paper use and waste.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	2.50	2.55	2.55	2.55
Hourly Employee Hours	462	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 244,129	\$ 255,115	\$ 255,115	\$ 249,524
General Fund Subsidy	41,535	191,043	115,592	110,295
Total Revenue	\$ 285,664	\$ 446,158	\$ 370,707	\$ 359,819
Expenditures				
Salaries and Benefits	\$ 219,063	\$ 311,685	\$ 287,391	\$ 290,063
Supplies and Services	66,361	94,113	68,213	69,756
Special Projects	-	40,000	15,000	-
Non-Capital Equipment	240	360	103	-
Total Expenditures	\$ 285,664	\$ 446,158	\$ 370,707	\$ 359,819

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of budget journal entries completed within 4 working days	75%	85%	85%
Consecutive GFOA Distinguished Budget Awards / Number of submissions for award	7/7	7/7	8/8
Number of budget adjustments	174	150	150
Negotiated labor contracts / salary plans costed and completed	N/A	5	2
Days to produce the adopted budget document after fiscal year-end	60	31	31

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RECENT PROGRAM ACHIEVEMENTS

Successfully completed annual audit & financial statement preparation with 2/3 normal staffing level

Accounting Services

(Program No. 1431)

Mission Statement

Maintain and ensure integrity of the City's financial records and audits and report financial information to Council, the public, and to State and Federal regulatory agencies in an accurate and timely manner.




Program Activities

- Establish and maintain an accounting system of funds, accounts, and internal controls in accordance with Governmental Accounting Standards Board standards and Generally Accepted Accounting Principles.
- Prepare year-end closing entries, balance and reconcile all funds and accounts, coordinate and communicate with the City's independent auditors, and prepare the Comprehensive Annual Financial Reports for the City and the Redevelopment Agency.
- Prepare and submit fiscal reports, including compliance audits of grant funds to State and Federal agencies, in an accurate and timely manner.
- Provide financial analysis and fiscal information to department users, management, and the City Council as needed.

Key Objectives for Fiscal Year 2010

- Compile, produce, and issue the annual Comprehensive Annual Financial Reports (CAFRs) for the City and the Redevelopment Agency within 150 days of fiscal year-end.
- Receive an unqualified audit opinion for the annual financial statement audit for the City & RDA.
- Receive Government Finance Officers Association (GFOA) award for achievement in financial reporting for the City's CAFR.
- Complete 100% of monthly bank reconciliations within 45 days of receiving bank statements.
- Complete 92% of general ledger monthly closings within 5 working days of month end.
- Complete and input 100% of regular monthly interim financial reports into Legistream within 45 days of month end.
- Publish City and RDA CAFRs on the City's website within 7 days of presentation to City Council

Key Objectives for Fiscal Year 2010 (cont'd)

-  Reduce the number of bound copies of the RDA and City CAFRs printed for distribution by issuing electronic versions of the reports (via CD, email, or Internet access)
-  Evaluate the number of green bar reports generated to determine which can be eliminated or reformatted to use less paper.
-  Work with IS staff to electronically produce all accounting Financial Management System reports

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	3.35	3.35	3.35	3.35
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 224,397	\$ 234,495	\$ 234,495	\$ 351,134
General Fund Subsidy	218,040	343,189	228,615	64,168
Total Revenue	\$ 442,437	\$ 577,684	\$ 463,110	\$ 415,302
Expenditures				
Salaries and Benefits	\$ 308,105	\$ 395,945	\$ 324,967	\$ 293,336
Supplies and Services	134,332	181,739	138,143	121,966
Total Expenditures	\$ 442,437	\$ 577,684	\$ 463,110	\$ 415,302

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Audit adjustments required by independent auditor	0	1	2
Journal entries posted	1,682	1,600	1,600
Number of printed copies of the CAFRs distributed	40	40	35
Number of FMS reports available electronically	N/A	N/A	40

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RECENT PROGRAM ACHIEVEMENTS

Nearly 500 City employees are taking advantage of the "Direct Deposit Opt-Out" feature, saving printing of 13,000 direct deposit forms and \$1,500 annually.

Payroll

(Program No. 1432)

Mission Statement

Pay City employees and benefit providers accurately and timely and ensure compliance with Federal and State laws and regulations.

Program Activities

- Perform audit and data entry of timesheets.
- Make tax payments and file quarterly tax reports.
- Reconcile payroll deductions and benefits payable to the general ledger.
- Reconcile billing statements with receivables and payroll withholdings by person for current and former employees and retirees.
- Pay benefit providers.
- Process payments to the Public Employees Retirement System (PERS) and reconcile to reports and payroll withholdings.
- Maintain the payroll system to reflect annual changes in tax tables, employee contracts, dues, or other items for paycheck accuracy.
- Perform electronic fund transfers for direct deposits, PERS, deferred compensation, and taxes.
- Provide customer service to all City employees, departments and benefit providers.
- Implement technological enhancements to improve payroll processing efficiency.

Key Objectives for Fiscal Year 2010

- Process and pay payroll accurately and timely 99.9% of the time.
- Achieve a 96% accuracy rate of timesheets submitted by departments during the fiscal year.
- Reconcile 11 of 12 (91.6%) monthly insurance billings within 30 days of receipt from benefits administrator.
- Review remaining 45 of 90 printed reports to identify opportunities to improve the effectiveness and usefulness of the reports, including eliminating, consolidating and converting them to electronic format when possible.
- Prepare 2009 W-2 forms for distribution by January 12, 2010.

Key Objectives for Fiscal Year 2010 (cont'd)

- Audit and reconcile all payroll tax and liability accounts, and adjust the general ledger as necessary, at the end of the fiscal year.
- 🍃 Increase the number of employees opting out of printed pay advices by 50 to a projected total of 550 employees.
- 🍃 Collaborate with Information Systems department to implement elimination of all biweekly payroll report pages printed on green-bar computer paper, and to convert all report pages to electronic file format.
- 🍃 Identify and implement two new automated procedures as determined by Payroll staff (in collaboration with Information Systems staff) and report any paper reduction realized.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	2.45	2.45	2.45	2.45
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 175,022	\$ 182,898	\$ 182,898	\$ 123,163
General Fund Subsidy	95,940	107,318	102,116	157,896
Total Revenue	\$ 270,962	\$ 290,216	\$ 285,014	\$ 281,059
Expenditures				
Salaries and Benefits	\$ 217,116	\$ 230,401	\$ 228,982	\$ 225,579
Supplies and Services	53,846	59,815	56,032	55,480
Total Expenditures	\$ 270,962	\$ 290,216	\$ 285,014	\$ 281,059

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Accuracy rate of timesheet data entry	99.94%	99.95%	99.9%
Accuracy rate of timecards submitted by departments	96.42%	96.30%	96%
Percent of insurance billings reconciled within 30 days	100%	100%	91.6%
Dollar value of benefits and withholding accounts reconciled bi-weekly per payroll staff member.	\$4,336,961	\$4,684,926	\$5,000,000
City employees per payroll staff member	672	680	690
Program cost per paycheck issued	\$5.00	\$5.25	\$5.00
Program cost per timesheet processed	\$5.72	\$5.75	\$5.50
W-2's issued annually	2,136	2,100	2,150
Percent of staff hours worked per quarter	91.98%	90.68%	90%

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➤ **Accounts Payable**

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RECENT PROGRAM ACHIEVEMENTS

Accounts Payable procedure manual developed and produced for use by Accounts Payable staff. Total value of discounts utilized increased 42.9%, resulting in City savings of \$4,267.

Accounts Payable

(Program No. 1433)

Mission Statement

Process and issue payments to City vendors to ensure timely and accurate payment for materials, supplies, and services received.

Program Activities

- Perform audit and data entry of claims submitted for payment.
- Make State sales tax payments and file quarterly reports.
- Initiate monthly independent contractor reporting by diskette.
- Review claims for accounts payable and purchasing policy compliance.
- Maintain files for all City payments to vendors.
- Review and adjust claims for vendor discounts when available.
- Provide customer service to departments and vendors.
- Reconcile and send 'Positive Pay' check disbursement reports to the bank daily.

Key Objectives for Fiscal Year 2010

- Issue 99% of vendor payments within 2 working days of receipt of claim for payment.
- Issue 99% of payments to vendors, error free.
- Review 5 accounts payable financial reports to identify opportunities to improve the effectiveness and usefulness of the reports, and eliminate, consolidate or convert them to electronic format when possible.
- Implement and conduct accounts payable cross-training for all payroll staff to ensure they are fully cross-trained on all accounts payable duties and processes.
- Prepare 2009 1099-MISC forms for distribution by January 12, 2010.
- Collaborate with Information Systems department to implement elimination of all accounts payable report pages printed on green-bar computer paper, and to convert all report pages to electronic file format.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	1.75	1.75	1.75	1.75
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 132,557	\$ 138,522	\$ 138,522	\$ 141,419
General Fund Subsidy	77,150	82,049	82,279	74,344
Total Revenue	\$ 209,707	\$ 220,571	\$ 220,801	\$ 215,763
Expenditures				
Salaries and Benefits	\$ 142,751	\$ 148,685	\$ 149,812	\$ 147,942
Supplies and Services	66,956	71,886	70,989	67,821
Total Expenditures	\$ 209,707	\$ 220,571	\$ 220,801	\$ 215,763

Program Performance Measures

Performance Measure	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of payments issued within 2 working days after receipt of claim	100%	100%	99%
Percent of payments issued error free to vendors	99.58%	99.49%	99%
Invoices processed	63,079	59,392	60,000
Program cost per payment issued	\$8.45	\$9.25	\$9.25
Percentage of available discounts taken by departments	40.80%	23.44%	25%
Percentage of available discounts taken by A/P staff	43.96%	61.23%	60%
Total value of discounts available	\$16,773	\$15,128	\$16,500
Total value of discounts utilized	\$14,217	\$12,808	\$13,500

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RECENT PROGRAM ACHIEVEMENTS

Successfully implemented the new utility billing system

City Billing & Customer Service

(Program No. 1434)

Mission Statement

To accurately bill customers on behalf of City departments, ensure the timely collection of related revenues, and to respond to customer inquiries in a courteous and professional manner.

Program Activities

- Prepare and mail approximately 360,000 consolidated utility bills annually for water, wastewater, and refuse collection services.
- Prepare and mail approximately 27,000 additional bills for a variety of City fees, services, and reimbursements annually, working closely with other City departments.
- Provide customer service by handling approximately 25,000 customer inquiries annually via telephone and walk-in counter support.
- Maintain and manage an automatic payment option for customers to have their bills paid automatically from their checking account.
- Process approximately 12,000 service orders to utility customer accounts, including customer updates, water meter reading verification, bill collection efforts, and water service changes.

Key Objectives for Fiscal Year 2010

- Accurately input 98% newly-created auto-payment account information for utility billing, airport and harbor slip customers.
- Notify 99% Extraordinary Water Use applicants of credit determination within 45 days of receipt of application.
- Issue 95% of refunds due on closed water accounts within 30 days
- Assist with the implementation of an on-line utility payment system (e-Care).
- Assist with the development of applicable written policies & procedures regarding the Utility Billing system as required by the "Red Flag" rules and Federal Trade Commission regulations required to limit identity theft.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	3.65	3.65	3.65	3.65
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 638,444	\$ 667,174	\$ 667,174	\$ 620,261
Other Revenue	1,300	-	-	100,000
Total Revenue	\$ 639,744	\$ 667,174	\$ 667,174	\$ 720,261
Expenditures				
Salaries and Benefits	\$ 314,026	\$ 307,593	\$ 304,639	\$ 310,414
Supplies and Services	251,873	259,090	253,060	257,809
Total Expenditures	\$ 565,899	\$ 566,683	\$ 557,699	\$ 568,223

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Bills issued monthly	31,774	32,400	32,000
Service orders prepared monthly	1,269	1,120	800
Phone call received from customers monthly	2,433	2,760	2,400
Customers on automatic pay including utility bills, airport and harbor	5,492	5,600	5,700

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➤ Purchasing

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RECENT PROGRAM ACHIEVEMENTS

Prepared and presented the Environmentally Preferred Purchasing policy to Council. Worked with the Living Wage Advisory Committee to revise data needed to evaluate the impact of the Living Wage.

Purchasing

(Program No. 1441)

Mission Statement

Competitively obtain quality goods and services that meet or exceed department specifications in a timely and cost effective manner in accordance with the Municipal Code, encourage open and fair competition among suppliers, and provide value added services to support the City's mission.

Program Activities

- Prepare Quick Quote, Bid and Proposal packages.
- Advertise and solicit for competitive bids to supply goods, materials, and services to meet the City's needs.
- Leverage the City's purchasing power and resources by utilizing cooperative purchasing contract when goods and materials meet department specifications and needs.
- Educated City staff and potential bidders on the City's procurement processes.

Key Objectives for Fiscal Year 2010

- Re-bid 90% of the Blanket Purchase Orders over \$40,000 upon expiration of their current contract terms or receipt of new requests
- Issue Purchase Orders within fifteen calendar days on average from receipt of requisitions, with all necessary backup, valued under \$25,000
- Issue Purchase Orders within forty-five calendar days on average from receipt of requisition, with all necessary backup, valued over \$25,000
- Conduct at least one LEAP class to train City staff on the City's purchasing policies and procedures
- Complete an internal customer satisfaction survey and achieve a customer satisfaction rating of 90% or higher
- 🌱 Implement the green purchasing policy by developing operating procedures and guidelines.
- 🌱 75% of office supply orders made on-line

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	5.65	6.00	6.00	6.00
Hourly Employee Hours	126	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 430,417	\$ 449,786	\$ 449,786	\$ 508,375
General Fund Subsidy	231,371	215,795	198,142	164,381
Total Revenue	\$ 661,788	\$ 665,581	\$ 647,928	\$ 672,756
Expenditures				
Salaries and Benefits	\$ 555,514	\$ 560,794	\$ 553,200	\$ 577,670
Supplies and Services	105,011	104,787	93,963	95,086
Non-Capital Equipment	1,263	-	765	-
Total Expenditures	\$ 661,788	\$ 665,581	\$ 647,928	\$ 672,756

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of Blanket Purchase Orders over \$50,00 re-bid (for FY 2010 the threshold will be lowered to \$40,000)	90%	95%	95%
Days to process informal requisitions (under \$25,000) into purchase orders	20	15	15
Days to process formal requisitions (over \$25,000) into purchase orders	50	45	45
Purchase Orders issued (all categories), including change orders	4,800	4,420	4,200
Purchase Orders for routine services and supplies over \$2,500	1,800	1,600	1,500
Blanket Purchase Orders issued for ordinary services and supplies	1,200	1,200	1,200
Purchase Orders issued for Professional Services and Contracts (T)	350	350	350
Change Orders issued	950	950	950
Request for Proposal/Qualifications advertised	11	11	12
Request for Bids advertised for ordinary services and materials	80	100	125
Percent of sole source Purchase Orders for ordinary services & material	N/A	N/A	5%
Average Purchase Orders processed per Buyer	1,600	1,600	1,600
Overall customer satisfaction rating of 90% or higher	N/A	N/A	90%

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➤ Central Warehouse

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RECENT PROGRAM ACHIEVEMENTS

Converted janitorial chemicals and supplies to more sustainable/greener products
Created an on-line report to assist users in finding green stock items

Central Warehouse

(Program No. 1442)

Mission Statement

Competitively purchase inventory and issue goods that meet or exceed our customers' specifications, partner with our customers to identify new or better products, provide services that exceed our customers' expectations, and dispose of City surplus in accordance with the Municipal Code.

Program Activities

- Issue inventory
- Perform monthly cycle counts
- Reorder stock as necessary
- Package similar stock items together for bidding purposes
- Dispose of surplus City property

Key Objectives for Fiscal Year 2010

- Maintain a 99% inventory accuracy
- Fill 98% of the stock requests within 1 working day
- Complete monthly cycle counts within 1 working day
- Achieve a turnover rate of 12 times per year for 20 key items. Key items are items of high value or used by multiple departments
- Achieve a 99% accuracy rate in filling stock orders
- Provide backup support for the mail courier
- 🌱 Recycle or reuse 100% of the packing materials
- 🌱 Complete a survey the users of the green janitorial items to determine their satisfaction with the products

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	1.80	1.40	1.40	1.40
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 150,333	\$ 157,098	\$ 157,098	\$ 157,351
General Fund Subsidy	45,876	44,756	44,730	30,985
Total Revenue	\$ 196,209	\$ 201,854	\$ 201,828	\$ 188,336
Expenditures				
Salaries and Benefits	\$ 116,654	\$ 121,698	\$ 121,147	\$ 112,185
Supplies and Services	78,713	80,156	79,681	75,651
Special Projects	842	-	1,000	500
Total Expenditures	\$ 196,209	\$ 201,854	\$ 201,828	\$ 188,336

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Accuracy rate for monthly inventory count	99.8%	99%	99%
Issue requisitions processed	3,446	3,500	3,500
Percent of issue requisitions processed within 1 working day	98.4%	99%	99%
Monthly inventory counts completed within 1 working day	12	12	12
Orders processed from vendors	464	500	500
Stock items on hand	1,308	1,314	1,314
Inventory turnover rate for 20 key items	N/A	N/A	12
Stock Order fill accuracy rate	N/A	N/A	99%

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➤ **Mail Courier Services**

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RECENT PROGRAM ACHIEVEMENTS

Placed mail delivery schedule on Portal
Cross-trained staff to backup courier when the courier is sick, in training, or on vacation
Added 2 mail stops

Mail Courier Services

(Program No. 1452)

Mission Statement

Collect and distribute U.S. Postal Service and interdepartmental mail to all City departments for efficiency and convenience.

Program Activities

- Collect the City's United States Postal Service (U.S.P.S.) mail twice daily.
- Provide interoffice mail courier service to City offices and selected outside agencies.
- Process outgoing U.S.P.S. mail daily.
- Post mail information on the Courier's Portal page.
- Maintain departmental billing records.
- Track certified mail receipts to ensure that receipts are returned to the right departments.

Key Objectives for Fiscal Year 2010

- Process 99.0% of the routine outgoing U.S.P.S. mail within 1 working day
- Provide backup support for central stores
- Complete 99.0% of the mail stops in accordance with the delivery schedule
- Implement a new monthly report on the Portal for the mail volume and cost by department.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	1.20	1.20	1.20	1.20
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 47,553	\$ 49,693	\$ 49,693	\$ 39,931
General Fund Subsidy	50,129	52,473	48,722	59,707
Total Revenue	\$ 97,682	\$ 102,166	\$ 98,415	\$ 99,638
Expenditures				
Salaries and Benefits	\$ 82,910	\$ 85,031	\$ 86,066	\$ 87,498
Supplies and Services	10,834	12,549	12,349	12,140
Capital Equipment	3,938	4,586	-	-
Total Expenditures	\$ 97,682	\$ 102,166	\$ 98,415	\$ 99,638

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of U.S.P.S. outgoing mail sent within 1 working day	N/A	99%	99%
Percent of mail stops completed on-time	100%	100%	99%
Pieces of outgoing mail and correspondence processed	239,203	180,000	175,000
Pieces of interoffice mail and correspondence delivered	22,857	17,000	20,000
Labor cost per piece of outgoing U.S.P.S. mail	\$0.09	\$0.21	\$0.25
Number of mail stops per day	N/A	N/A	32

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➤ Risk Management – Workers' Compensation

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RECENT PROGRAM ACHIEVEMENTS

Modified Duty Program reduces temporary disability payments by \$404,838 in FY 08; claims filed in FY 08 remain at historic low levels for third consecutive year.

Workers' Compensation

(Program No. 1461)

Mission Statement

Provide workers' compensation benefits to eligible employees, ensure compliance with Federal and State regulations, and minimize associated costs.

Program Activities

- Collect, maintain, and analyze loss data.
- Ensure compliance with Federal and California laws; monitor legislation, legal opinions, and case law for changes.
- Investigate, evaluate, and authorize all new lost time claims.
- Approve the use of salary continuation.
- Approve expenditures, evaluate and recommend settlement proposals, and obtain approval for settlement payments.
- Ensure that the third party administrator completes all required elements of contracts.
- Assist outside legal counsel to defend claims, and coordinate subrogation recovery.
- Notify management of any permanent work restriction for injured employees and evaluate industrial disability retirement applications.
- Assist managers and supervisors to return an injured employee to regular or modified duty and develop a modified duty contract.
- Respond to employee, supervisor, and management inquiries; provide training on workers' compensation.

Key Objectives for Fiscal Year 2010

- Conduct a semi-annual open claim review on all open claims at the four departments with the highest claims frequency and as needed at the remaining departments.
- Obtain 50% of the industrial injury preventability determination reports from operating departments.
- Complete investigation of 50% of the industrial injuries with lost time within 45 days of knowledge.
- Audit performance of the Third Party Administrator.
- Purge workers' compensation claim records held in storage (claims with a date of injury before July 1, 1998) as allowed by State law by December 31, 2009

Key Objectives for Fiscal Year 2010 (cont'd)

- Conduct 2 training sessions on industrial injury investigations for supervisors by June 30, 2010.
- Compare frequency and severity results from targeted departments (Fire and Police) with results from the benchmark partners identified by March 31, 2010.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	1.60	1.60	1.60	1.60
Hourly Employee Hours	479	214	214	214
Revenues				
Workers Comp. Premiums	\$ 2,241,057	\$ 2,107,502	\$ 2,107,502	\$ 2,482,928
Other Revenue	55,299	70	-	-
Total Revenue	\$ 2,296,356	\$ 2,107,572	\$ 2,107,502	\$ 2,482,928
Expenditures				
Salaries and Benefits	\$ 182,849	\$ 186,730	\$ 186,730	\$ 184,344
Supplies and Services	38,227	4,795,941	4,615,873	2,298,584
Total Expenditures	\$ 221,076	\$ 4,982,671	\$ 4,802,603	\$ 2,482,928
Addition to (Use of) Reserves	\$ 2,075,280	\$ (2,875,099)	\$ (2,695,101)	\$ -

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Total claim costs (paid and reserved) current FY	\$774,254	\$1,120,000	\$793,112
Annual gross amount of medical costs billed (all open claims)	\$1,806,214	\$864,000	\$1,620,266
Annual gross amount of medical costs paid (all open claims)	\$615,405	\$400,000	\$477,315
Annual cost of professional medical bill review services (all open claims)	\$126,307	\$73,000	\$72,565
Claims filed (current FY only)	143	160	155
Number of open claims all years at FYE	223	215	212
Litigation Ratio, Number of active litigated claims divided by the number of open claims (all years)	11%	12%	20%
Percent of claims filed without lost time	55%	55%	58%
Percent of eligible employees placed in a modified work assignment.	90%	90%	88%
Number of Modified Duty days worked.	2,679	1,220	3,700
Modified Duty cost savings	\$404,838	\$291,000	\$410,000

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➤ **Risk Management – Liability**

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RECENT PROGRAM ACHIEVEMENTS

Reported claims declined 34% year-over-year continuing a four-year downward trend. Routed 97% of citizen notifications of public hazards within two working days

Liability

(Program No. 1462)

Mission Statement

Prudently investigate City incidents and adjust damage claims, correct potential hazards, and provide loss prevention training.

Program Activities

- Administer incident and claims procedures.
- Investigate departmental activities relative to claimed damages.
- Pay or deny claims and communicate findings to claimants.
- Represent the City in small claims court.
- Request and track hazard mitigation throughout City activities.
- Provide tailored loss prevention classes to City personnel.
- Consult with departments to assess workplace security needs.
- Obtain preventability reports of vehicle and equipment damage from appropriate departments.
- Organize defensive driving classes and materials.
- Report loss amounts monthly and annually.
- Assess and provide needed loss prevention training.
- Respond to citizen and public requests for assistance.

Key Objectives for Fiscal Year 2010

- Complete 90% of claims investigations within 45 days.
- Route 90% of public hazard concerns to the appropriate department within 2 working days of receipt.
- Obtain 90% of collision preventability determination reports from the operating departments.
- Conduct 4 fleet safety classes by June 30, 2010.
- Conduct 2 liability investigative training sessions for supervisors by June 30, 2010.
- Conduct a "best practice" assessment of one department.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	1.10	1.10	1.10	1.10
Hourly Employee Hours	88	214	214	214
Revenues				
Liability Insurance Premiums	\$ 1,740,159	\$ 1,797,440	\$ 1,797,440	\$ 1,940,613
Other Revenue	43,768	-	-	-
Total Revenue	\$ 1,783,927	\$ 1,797,440	\$ 1,797,440	\$ 1,940,613
Expenditures				
Salaries and Benefits	\$ 123,254	\$ 140,428	\$ 140,428	\$ 140,710
Supplies and Services	652,333	2,216,146	1,545,568	1,799,903
Non-Capital Equipment	120	1,600	1,450	-
Total Expenditures	\$ 775,707	\$ 2,358,174	\$ 1,687,446	\$ 1,940,613
Addition to (Use of) Reserves	\$ 1,008,220	\$ (560,734)	\$ 109,994	\$ -

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of claims acted upon within 45 days of receipt	98%	95%	90%
Percent of public hazard concerns routed to the appropriate department within 2 working days of receipt	97%	93%	90%
Percent of preventability reports received	67%	70%	90%
Liability claims filed during the year	95	114	151
Total current open claims	63	68	93
Total annual claim costs paid	\$506,998	\$564,380	\$815,837
Percent of claims filed resulting in litigation	8%	5%	10%
Percent of open claims litigated	25%	23%	19%
Percent of claims closed within 11 months of filing	82%	64%	91%
Loss Prevention class attendees including Defensive Driver class attendees	93	210	210
Reported vehicle incidents	93	146	119
Percent of vehicle incidents resulting in claims	18%	16%	15%
Amount Paid for preventable collisions	\$149,395	\$50,000	\$62,721

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RECENT PROGRAM ACHIEVEMENTS

Distributed and received responses to facility safety inspection findings via electronic mail. 313 employees were certified to use a respirator.

Occupational Safety & Health

(Program No. 1463)

Mission Statement

Ensure a safe work environment for the City's employees and preserve the City's financial resources through training, medical screening, and safety analysis.

Program Activities

- Review and update the Injury Illness Prevention Program (IIPP) to conform to Occupational Safety and Health Act (OSHA) regulatory changes.
- Maintain and schedule master IIPP compliance activities and other safety training regulations according to state law.
- Provide training guidance and resources to supervisors.
- Respond to hazards and safety concerns identified by employees.
- Provide loss data reports quarterly and annually.
- Maintain network of internal occupational safety and health trainers.

Key Objectives for Fiscal Year 2010

- Reduce occupational injuries by 5%.
- Maintain compliance with state and federal Occupational Safety health Administration (OSHA) mandates
- Coordinate monthly Injury and Illness Prevention Program (IIPP) Training Calendar.
- Distribute self-inspection checklist and collect 80% of completed inspections from operating departments.
- Present safety program recognition to department, division, and individual.
- Post Cal/OSHA 300A log electronically.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	1.65	1.65	1.65	1.65
Hourly Employee Hours	59	0	0	0
Revenues				
OSH Premiums	\$ 253,849	\$ 291,620	\$ 291,620	\$ 302,518
Total Revenue	\$ 253,849	\$ 291,620	\$ 291,620	\$ 302,518
Expenditures				
Salaries and Benefits	\$ 86,778	\$ 188,232	\$ 188,232	\$ 182,809
Supplies and Services	92,910	113,244	121,445	117,709
Non-Capital Equipment	-	1,600	1,450	2,000
Total Expenditures	\$ 179,688	\$ 303,076	\$ 311,127	\$ 302,518
Addition to (Use of) Reserves	\$ 74,161	\$ (11,456)	\$ (19,507)	\$ -

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Occupational injury claims filed	143	163	155
Percent compliance with state and federal OSHA mandates	100%	100%	100%
Employees attending Injury Illness Prevention Program training sessions	1,342	1,000	1,000
Number of IIPP training sessions conducted	74	36	36
Ergonomic evaluations conducted	13	20	12
Lost work days due to occupational injuries	1,103	2,000	1,795
Occupational Safety Trainers	59	70	70

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RECENT PROGRAM ACHIEVEMENTS

Recovered \$130,000 for
damage to city
property by third
parties and \$300,000
from insurance
proceeds.

Administrative Operations

(Program No. 1464)

Mission Statement

Manage division programs and assist operating departments to assess exposure to loss.

Program Activities

- Create and maintain a risk management information system.
- Review and execute contracts, agreements, leases, and grants.
- Identify, evaluate, and rate all risks of accidental loss.
- Respond to employee, supervisor and management requests for assistance.
- Market and negotiate placement of commercial insurance policies.
- Initiate investigation and recovery of costs for loss or damage to City property caused by insurable perils or a negligent third party.
- Notarize City and employee documents.

Key Objectives for Fiscal Year 2010

- Ensure 80% completion of Risk Management Division program objectives.
- Compile and distribute quarterly and an annual loss data report to operating departments.
- Conduct training on how operating departments can recover costs to repair or replace damage to city property caused by third parties.
- Update Risk Management intranet site by December 31, 2009.
- 🍃 Submit insurance applications electronically.
- 🍃 Obtain insurance binders and policies electronically.

Financial and Staffing Information

	Actual FY 2008	Amended FY 2009	Projected FY 2009	Proposed FY 2010
Authorized Positions	0.85	0.85	0.85	0.85
Hourly Employee Hours	0	0	0	0
Revenues				
Interest Income	\$ 707,603	\$ 361,434	\$ 400,000	\$ 337,615
Property Insurance Premiums	1,400,000	1,400,000	1,400,000	1,010,000
Other Revenue	300	703	-	-
Total Revenue	\$ 2,107,903	\$ 1,762,137	\$ 1,800,000	\$ 1,347,615
Expenditures				
Salaries and Benefits	\$ 102,836	\$ 117,615	\$ 120,893	\$ 116,480
Supplies and Services	1,109,215	1,299,793	985,452	1,229,135
Non-Capital Equipment	-	1,500	-	2,000
Total Expenditures	\$ 1,212,051	\$ 1,418,908	\$ 1,106,345	\$ 1,347,615
Addition to (Use of) Reserves	\$ 895,852	\$ 343,229	\$ 693,655	\$ -

Program Performance Measures

Performance Measures	Actual FY 2008	Projected FY 2009	Proposed FY 2010
Percent of division objectives accomplished	87%	80%	80%
Loss data reports	4	4	4
Dollar value of property damage and workers' compensation expenses recovered from negligent third parties	\$127,108	\$100,000	\$100,000
Total cost of risk as percentage of total city operating and capital expenditures	1.9%	3.0%	3.0%
LEAP training hours attended per division employee	30	16	16

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